

**COUNCIL ON PENSIONS AND INSURANCE**

**Amendment No. 1 to SB0331**

**McNally**  
**Signature of Sponsor**

**FILED**

Date \_\_\_\_\_

Time \_\_\_\_\_

Clerk \_\_\_\_\_

Comm. Amdt. \_\_\_\_\_

**AMEND Senate Bill No. 331\***

**House Bill No. 463**

by deleting all language after the enacting clause and by substituting instead the following:

SECTION 1. Tennessee Code Annotated, Section 8-37-104, is amended by adding the following new subsection at the end thereof:

(c) Notwithstanding any other provision of the law to the contrary, the board of trustees is expressly authorized to contract for investment management services for the retirement system's portfolios. The board shall provide for the powers, duties, functions and compensation of any investment managers so engaged. Any contract for such investment management services shall be procured in the manner prescribed by the board. The board may authorize the system's investment consultant to initially evaluate and make recommendations regarding proposals submitted by investment managers. Personal services, professional services, consultant services, and management of the portfolios may be procured in such manner as prescribed by the board without regard to the requirements of § 12-4-109, if the board determines that such services are necessary or desirable for the efficient administration of the retirement system's investment program. All expenses and fees incidental to such outside investment management shall be charged to and paid from the earnings of the funds.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it.